

# **GISBORNE BOYS' HIGH SCHOOL**

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

School Address:	Stanley Road, Gisborne
School Postal Address:	Private Bag 7002, Gisborne
School Phone:	06 868 8159
School Email:	office@gisboyshigh.net
Ministry Number:	209



## ANALYSIS OF VARIANCE

### BOT Operational Goal: 1.1

**The 2017 IT Strategic Goal will be implemented**

#### **Overall Outcome**

All items and actions as listed will be completed under the guidance and monitoring of the School IT Group. Weekly meetings will be held so as to facilitate these items and actions. IT Strategic Plan 2017 reviewed. IT Strategic Plan 2018 drafted ready for budget input.

#### **Completed**

### BOT Operational Goal: 1.2

**To continue to work with the MOE/Project Manager/Property Manager and School Community to initiate and implement the 10YP as in Stage I and Stage II- 5 YP's**

#### **Overall Outcome**

We will have our 2017-2027 10YPP ratified by the MOE and have initiated the 5YA Property Projects as approved and identified by the 10YPP.

#### **Completed**

### BOT Operational Goal: 1.3

**We will continue to develop our Health and Safety Plans and Procedures in line with the School Health and Safety Policy.**

#### **Overall Outcome**

The profile of OHS at GBHS will be increased. These outcomes have been partially achieved. Lab manager is still de facto.

OHS committee has been set up but as yet has not been tasked. Signage has been ordered but not installed. OHS profile has been raised. Knowledge base is now accessible. Now I need to work out how to use it effectively. The 'forms' for planning departmental safety reviews are only visible if the HOD accesses the school website and logs on. This will be a work on for 2018. Also for 2018 - work thru part 18 of the new HSNO regs.

### BOT Operational Goal: 1.4

**As the 2017-2022 5YA is developed and implemented we will develop and implement a School Physical Environment Plan so as to enhance the present School Environment.**

#### **Overall Outcome**

By the start of Term 4-2017, we will have a GBHS School Environment Plan drawn up which reflects the input of the School Community including Students, Staff, Parents/Whanau; for the BOT to consider and ratify.



### **Not completed.**

Resources are the barrier here. There are still a few of P1 projects from our 5YA which require completion. These should be done early in 2018. GBHS can move forward from this point to consider how the School environment can be upgraded after consultation and planning. A job which has positive outcomes for new Principal.

## **BOT Operational Goal: 1.5**

**In order to fully utilise Te Ao Marama as an Outdoor Education Facility, we will complete a comprehensive Building Assessment which informs the BOT Capital Expenditure required to maintain/upgrade the facility to an acceptable standard with respect to Health and Safety, Compliance, and Student/Staff wellbeing. Te Ao Marama.**

### **Overall Outcome**

Upgrade plan for Te Aomarama completed with costings.

### **Completed.**

One of MA's jobs (in retirement) is to seek possible funding from Lowndes Trust for resourcing the upgrade. Application to Trust to be approved by Principal before submission.

## **BOT Operational Goal 2.1**

**To plan, implement and monitor Staff professional learning supported and informed by the Te Kotahitanga cycle of teacher support**

### **Overall Outcome**

Staff professional learning was introduced to staff on Tuesday mornings. Staff continued to apply for other PL as they required. Two cycles of observation, feedback, goal setting and critical reflection for teachers were completed. e-asTTle data was gathered at the beginning and end of the year for Literacy and numeracy and reported in junior reports.

## **BOT/MOE Operational Goal 2.2**

**Develop ePortfolio (and its associated software) as an online collection of reflections and evidence to demonstrate Staff learning, skills and development and to initiate Inquiry based learning within classrooms.**

### **Overall Outcome**

ePortfolio (knowledgebase) via school website was created and introduced to staff. As the year progressed the site was modified to meet staff needs. This is still very much a work in progress.

### **Not completed**

Further modification to ePortfolios. School wide introduction of teaching as inquiry. Individuals still do not have a thorough understanding of codes of professional responsibility and standards of the teaching profession and links to appraisal. Further work needs to be done here.

## BOT/MOE Operational Goal 3.1

**We Will Set Targets For Whole School and Maori Student Achievement In NCEA Level 1-3 and UE based on our 2016.**

**We are setting the same targets for Maori students as Non-Maori, as we believe that the targets should not be different.**

**Results. Specific Programmes Will Be Initiated to Support the Attainment of These Targets. These programmes will be focused on two specific areas.**

- i) NCEA Level 1-3/UE Targets.
- ii) NCEA Level 1-3 Endorsements as indicated by Merit and Excellence Endorsements.

When setting targets it is important to be aspirational and to aim high, but also to be realistic. Achievement rates cannot continue to increase forever. If we think we can do better in a particular area, we should set targets to reflect that. However, targets make no difference unless we implement strategies to address those targets – if we do the same as we have done before, the results will be the same. It is this philosophy – putting new actions in place – that has resulted in the progressive increases in student achievement over the last 6-7 years.

Based on our results for 2016 and previous years, we have set the following minimum targets: These targets are Roll Based and include both Maori and Non-Maori as being identical targets.

<i>Level 1 Literacy</i>	95%
<i>Level 1 Numeracy</i>	95%
<i>Level 1 NCEA</i>	85%
<i>Level 2 NCEA</i>	85%
<i>Level 3 NCEA</i>	65%
<i>University Entrance</i>	33%

In addition to these targets we have considered another aspect of achievement where we believe we can do better. The Merit and Excellence endorsement rates for our boys lag behind the national average. We are getting a lot of boys 'over the line' – and we intend to keep doing that – but we want more boys to pass their Level 1, 2 or 3 certificates with Merit or Excellence. We have set our 2017 achievement targets, for certificate endorsements, at the 2016 rates for boys nationwide. Those targets are shown below:

### TARGETS FOR 2017

<i>Level 1 Merit</i>	31%	<i>Level 1</i>
<i>Excellence</i>	13%	
<i>Level 2 Merit</i>	22%	<i>Level 2</i>
<i>Excellence</i>	11%	
<i>Level 3 Merit</i>	25%	<i>Level 3</i>
<i>Excellence</i>	11%	

### Overall Outcome



## RESULTS:

The table below shows the NCEA results for Gisborne Boys' in 2017:

<b>L1 Literacy</b>	<b>L1 Numeracy</b>	<b>Year 11 Level 1</b>	<b>Year 12 Level 2</b>	<b>Year 13 Level 3</b>	<b>University Entrance</b>
93 %	90 %	77 %	82 %	59 %	36 %

As a matter of practice we now use roll-based data to evaluate our students' achievement as that gives a robust indication of actual attainment. Roll-based data provides a percentage attainment based on the actual number of students in the year level. Participation-based data, as used in newspaper 'league tables', only includes students who have been entered for a full NCEA course. Participation-based results can be useful if used in conjunction with roll-based results, to indicate what proportion of students were eligible for a particular NCEA certificate. However, for comparison with other schools we believe roll-based data is more reliable as participation-based data can be manipulated, simply by ensuring that less able students are not entered for a full NCEA course, to make results look better than they really are. At Gisborne Boys' High School we insist that all our students enter a full NCEA programme irrespective of any potential effect on our participation-based data.

## ARE WE IMPROVING?

The table below shows our school's roll-based results for each of the last six years. Following each column from the top downwards it can be seen that although we have been trending upwards at all levels, over several years, there has been a dip in 2017.

	<b>Year 11, Level 1</b>	<b>Year 12, Level 2</b>	<b>Year 13, Level 3</b>	<b>University Entrance</b>
2012	64.6	67.6	53.2	41.3
2013	73.1	76.9	56.4	46.8
2014	77.5	83.5	44.6	25.0
2015	84.0	84.7	62.7	35.5

2016	85.2	87.7	68.2	34.1
2017	77.4	81.9	59.4	35.8

Although it is unrealistic to expect results to improve year upon year without the occasional dip, we are very concerned about the magnitude of the drop, and that it has occurred at all three levels of NCEA in 2017. It is our job now to determine why the drop has occurred and to address those issues so that our boys achieve to their potential in NCEA this year.

Looking across the table we can see that level 3 and University Entrance achievement is considerably lower than level one and two. This happens each year and does not necessarily indicate that year 13 students are under-achieving – there are a number of reasons why we expect the ‘pass rate’ to be lower:

- The year 13 students who did not attain level 2 in the previous year are still working towards that certificate. For that reason, they are not entered for a full level 3 course. The NZQA ‘participation-based’ statistics show that 70% of our year 13 students, who were eligible for a level 3 certificate, achieved that award.
- Level 3 is definitely more academically challenging than level 1 and level 2, and there are fewer ‘attainable standards available on which to base our level 3 courses.
- More students remain at school for year 13 than traditionally did so. Many of those boys are aiming to go to a polytech or other training institution where they do not need level 3. In fact, it can disadvantage them to have level 3 because some local tertiary providers are funded to ‘pick up’ students who have level 2 only. Students with level 3 are not eligible for those courses!

## ETHNICITY COMPARISONS

2017	Year 11, Level 1	Year 12, Level 2	Year 13, Level 3	University Entrance
Total	77.4	81.9	59.4	35.8
Maori	77.9	72.9	58.7	32.0
European	78.7	93.8	76.2	61.9
Pasifika	50 (2)	100 (4)	50 (4)	25 (4)
Asian	100 (1)	100 (1)	50 (2)	0 (2)

Numbers in brackets indicate the number of students entered. For instance, 4 Year 12 Pasifika students were entered for Level 2 NCEA. All of them attained their L2 certificate.

The most valid comparisons we can make from the table above are for Maori and European. Numbers for the other groups are too small for the percentages to be statistically valid. Comparing Maori and European students with the 'totals' we can see that Maori students and 'all students' had virtually the same rate of attainment at levels 1 and 3, but Maori students lagged behind 'all students' at level 2.

A significantly higher percentage of European students attained level 2 than Maori students whereas the opposite was true in 2016 when Maori student attainment was ahead of European (90.4 vs 87.9) at level 2. Why has that changed? And why have Maori students performed below European at level 3, when the opposite was true for that same cohort of students the previous year? We need to investigate.

## HOW DO WE COMPARE WITH THE REST OF NEW ZEALAND?

The decile rating of a school indicates the socio-economic status of the families whose children attend the school, with decile 1 being the poorest and decile 10 the wealthiest. Because the decile rating of a school is a strong determinant of educational outcomes, NZQA provide comparative data in decile bands. As such, Gisborne Boys' results should be compared with results for boys at decile 1-3 schools across New Zealand. For us however, it is more aspirational to compare our results with those of all that is deficit thinking and would allow us to feel complacent if we exceeded the achievement of other low decile schools. We choose to compare with boys at *all* New Zealand schools rather than the decile 1-3 group. This helps us to set aspirational but realistic targets for our school. Results for boys at Decile 1-3 schools are also shown below.

### NATIONAL COMPARISON (ROLL-BASED) 2017 – ALL STUDENTS

	National Decile 1-3 Boys %	National Boys %	Gisborne Boys' High School * %
<b>L1 Literacy</b>	82	89	93
<b>L1 Numeracy</b>	81	88	90
<b>Year 11 Level 1</b>	60	69	77
<b>Year 12 Level 2</b>	70	76	82
<b>Year 13 Level 3</b>	52	61	59

<b>University Entrance</b>	22	42	36
----------------------------	----	----	----

\* Gisborne Boys' is a decile 3 boys' school

Although we are not satisfied with our 2017 results, and know we can do better, our boys' attainment still compares strongly with boys from all schools nationwide, particularly at levels 1 and 2.

#### **NATIONAL COMPARISON (ROLL-BASED) 2017 – MAORI STUDENTS**

	<b>National Decile 1-3 Boys %</b>	<b>National Boys %</b>	<b>Gisborne Boys' High School %</b>
<b>L1 Literacy</b>	77	83	95
<b>L1 Numeracy</b>	76	81	89
<b>Year 11 Level 1</b>	53	58	78
<b>Year 12 Level 2</b>	69	73	73
<b>Year 13 Level 3</b>	52	53	59
<b>University Entrance</b>	18	25	32

Our Maori students have outperformed the national average at all levels except for level 2 where the attainment rate is the same for our boys. At level 1, our Maori students lead Maori students from all NZ schools by a massive 20%. This is very pleasing, but what is not so pleasing is that there is a gap between our Maori students and our non-Maori students. In 2016 we had closed that gap. Why has it re-opened?

#### **TARGETS FOR 2018**

When setting targets it is important to be aspirational and to aim high, but also to be realistic. If we set a target that is above our previous achievement, there must be some intervention, some change, which we believe will bring about improved achievement. If we do the same as we have done before, the results will be the same (unless there happens to be a difference in the ability of the cohort of students). Over the last 6-7 years we have implemented a number of strategies to help lift student achievement, and the upward trend of our results over that period indicates that those initiatives have been successful. They include our





Tu Tane, Tu Whanau and Te Kotahitanga programmes, our responsive senior curriculum and our focus on core subjects and skills at junior level.

Based on our results for 2017 and previous years, we have set the following minimum targets:

	2017 Targets (%)	2017 GBHS RESULTS (%)		2018 TARGETS (%)
		All Students	Maori Students	
<i>Level 1 Literacy</i>	95	93	95	<b>95</b>
<i>Level 1 Numeracy</i>	95	90	89	<b>95</b>
<i>Level 1 NCEA</i>	85	77	78	<b>85</b>
<i>Level 2 NCEA</i>	85	82	73	<b>85</b>
<i>Level 3 NCEA</i>	65	59	59	<b>65</b>
<i>University Entrance</i>	33	36	32	<b>35</b>

Note: The Ministry of Education requires schools to consider and set goals for Maori students as well as for students overall. We have chosen to set the same targets for Maori students as for our entire cohorts at each year level.

## BOT Operational Goal 3.2

**To develop, implement a Sports Plan for Gisborne Boys' High School, which encompasses, school, regional, NZSES and national co-curricular sports. The focus being on participation and excellence for individuals and Gisborne Boys' High School teams.**

**Overall Outcome**



Gisborne Boys' High School will have a clear structure for the ongoing development and provision of Sporting activities which will challenge and support each young man to excel in a range of Sporting activities at School, Regional, and National level.

Not completed.

While the use of MK as Sports Coordinator "held the fort", there is a great deal of thought and consideration that needs to be put into the position/role/responsibilities of Director of Sport at GBHS. the biggest barrier is resourcing.

## BOT Operational Goal 3.3

**We will consider how we can provide an appropriate and relevant curriculum for our senior students**

### Overall Outcome

In term 2 we totally reviewed our senior curriculum to ensure that it is student-driven. We asked two questions:

Are there courses that do not provide the best outcomes for students?

Is there a need for new courses to meet students' needs?

Consideration was also given to the sustainability of some existing courses - better to adapt than to discard.

The review included the whole SLT along with the careers staff who represented parent and student feedback, as well as providing expertise re prerequisites for students going to further study/occupations. HODs/TICs were included at several stages in the process.

Significant outcomes included senior outdoor pursuits - which was running in two blocks with around 9 students, and offering the same standards as were being offered in Phys Ed. The course has been restructured as a prep for the services (police, armed services, fire) due to student need. We successfully applied to Skills Active for consent to assess a range of appropriate unit standards. Maximum class size has been increased to 20.

Level 1 Mechanical Engineering has been changed from a two-block course to single block. Two blocks was a barrier to academic students who could not maintain the course of study they needed if two of their 6 timetable blocks were used for Mech Eng.

Student numbers have approximately doubled for 2018.

A senior Tourism course has been implemented in recognition of the success experienced at Girls' High and the applicability for our students.

Accounting and Economics are transitioning into Business Studies.

## BOT/MOE Operational Goal 3.4

**The Physical, Emotional Safety of all students will be monitored and promoted by ensuring that:**

- Student input is recognised through Student Survey.
- Jigsaws - data to, identify, support, inform teaching and learning.
- Frequent Flyers will be identified and appropriate support allocated to address their "at risk" behaviours and/or issues.



- The Tu Tane programme will continue to be implemented with a full review at the end of 2017 to consider changes required.
- A targeted Leadership Programme will foster, promote and enhance student leadership for Prefect, Year 12, Year 9/10 Leadership.

**All of the above components of this Operational Goal will be supported by both subjective and objective data collection, collation.**

#### Overall Outcome

**To complete the above.**

**All Done.**

### BOT Operational Goal 3.5

**We Will Continue To Monitor and Review Our Policies and Procedures For Attendance So As To Ensure That Students and Parents/Caregivers/Whanau Understand and Partner The School In Complying With Attendance Requirements.**

#### Overall Outcome

Attendance rate for the School reaches 90% regular attendance based on half day calculations.

<b>2/2/17 til 27/10/17</b>	<b>J</b>	<b>E</b>	<b>I</b>	<b>O</b>	<b>I+O</b>	<b>100-E</b>
school	6.9	7.2	9.7	76.3	86	92.8
9	6.2	5.6	8.1	80.1	88.2	94.4
10	7.1	6	8	78.9	86.9	94
11	6.7	6.1	8.5	78.7	87.2	93.9
12	7.7	8.8	12	71.5	83.5	91.2
13	7.1	12.2	14.9	65.8	80.7	87.8

Outcome has been achieved. This should be taken with a grain of salt when the decline in attendance through the year levels is noted. 'Fixing' the senior attendance issues would place us closer to 94%.

Some of the gap is down to our softly softly approach to students with issues. This means we carry them - and their statistics - I believe that that is a small price to pay for giving our students some space to sort stuff. Alongside that, we have been more assertive in shifting seniors who have been swinging the lead.

### BOT Operational Goal 3.6

**To develop and implement programmes to enhance our students' understanding of and engagement with Te Reo Maori and Tikanga Māori at Gisborne Boys' High School by**



- Support cultural practices both within and outside of the school
- Planning, implementation, monitoring and review of our Tikanga programme - Te Ao Marama to our year 9 and 10 students at Gisborne Boys' High School.
- Planning implementation, monitoring and review of our junior Te Reo Maori programme at year 9 and 10 and Te Whaiao at Year 10.
- To develop the role of the Kura Reo Dean with specific responsibilities
  - to plan, implement, monitor and review a targeted programme to accelerate the achievement of our Maori students in Te Reo Maori who have come to Gisborne Boys' High School from Kura Kaupapa Maori.

### **Overall Outcome**

Students will have a better understanding and knowledge of Te Reo Maori and Tikanga Maori within our kura. Evidenced by both quantitative and qualitative data. Tikanga programme planned and introduced to both year 9 and 10. Review of the programme with new units being implemented in 2018. Need to continue reflection and modification of courses within Te Reo Maori and Whakairo.

## **BOT Operational Goal 3.7**

### **We Will Collaboratively Plan and Develop A Whole School and Cross Curricular Writing Programme Based On the Write That Essay Programme**

### **Overall Outcome**

Continue with the WTE programme across the whole school under the guidance of Dr Ian Hunter. Measure the outcomes of the programme based on NCEA achievement. Completed thanks to the efforts of CN. This is a worthwhile programme which needs to be embedded into the School Curriculum. The monitoring and review of the programme needs to be sharpened up!

## **BOT/MOE Operational Goal 3.8**

### **To embed a school-wide Careers Programme that develops individual career and vocational pathways for all students**

### **Overall Outcome**

Benchmark Dimension focussed on: Leadership

"While strong and effective leadership has an impact across all the dimensions, the leadership dimension directly encourages active and committed leadership to support a school-wide approach to career development"

1. To use annual Career Benchmark reviews to inform operational planning
2. To consolidate the Level Three Work Ready Course focussing on Priority Learners
3. To increase Gateway contact in the workplace
4. To consolidate a new Junior Careers Programme
5. To identify priority learners and develop programmes/experiences to address needs in collaboration with the other local Secondary Schools
6. Transition focus - through and beyond school
7. Plan a school-wide approach to Careers information



## BOT Operational Goal 3.9

To develop, plan and initiate the role/responsibilities for Dean of Pasifika Young men

### Overall Outcome

At Gisborne Boys' High School there is an increasing number of Pasifika young men. As a School we are responsible for their Teaching and Learning which may be distinctly different from the other ethnic groups at our School. We want to put in place the position of Pasifika Dean in order to better cater for the Needs and Wants of Pasifika young man and their Families/"Whanau" with respect to Teaching and Learning.

## BOT/MOE Operational Goal 4.1

To continue to implement and develop the Tu Whanau programme with the focus on engaging Parents/Whanau in all aspects of Teaching and Learning at Gisborne Boys' High School.

## 2017 TU WHANAU YEAR PLAN

Year 9 Events in Black  
Green

Year 10 Events in Red

Year 11/12 Events in Green

Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11
TERM ONE										
Form Class Profile incl Male Role Model Facebook Page	HUI  VFTs phone Accessing the Portal	PE/Health ..  ... families Senior Planners	.. Identity & Values  NCEA info	English ... Reading Together Evenin g	Family Role	Model letter  Interim Reports	Soc. Stud ...	..Family ..	Connections	Report Evng  Report Evng
TERM TWO										
Positive Phone Calls,	Cross ...	..curricular..	.. Class ..	.. Lunches	Writing Together		Maths Together			



term 2 ...	Accessing NZQA website	Social Stud.. Senior Exam info	.. Migrati on Study Guideli nes		Evenin g	Write That Essay	Evenin g	NCE A info		
TERM THREE										
Positiv e Phone Calls, term 3 ... NZQA Financi al ass		Writing Together Evening Checking NCEA progress		NCEA Study Skills Evenin g	Social Stud	.. Career s..	... Unit	Repor t Eveni ng	NCEA Study info	
TERM FOUR										
Positiv e Phone Calls term 4 NCEA Exams	NCEA Catchu p			Exam Study Skills Evenin g						

## Overall Outcome

70% of year 9 parents attended the start of year Hui where they made connections with their sons' form teachers and shared a sit-down meal with the GBHS teachers and year 9 whanau.

Approximately 30 families attended our Reading Together evening. Feedback from the parents was that they found the evening valuable. We will review how we run this for 2018 with the aim of involving more parents, particularly of boys with reading difficulties.

Our Tu Whanau Year 9 report evening was well attended. Parents met with form teachers to reconnect and have the reports explained before meeting with subject teachers in the hall. Soup and buns were provided.

We did not 'enforce' the positive phone calls in 2017. Re-focus for 2018.

Class lunches for year 9 classes were held in term 2. Parent turnout varied greatly - possibly dependent on teacher enthusiasm. The standard of student work presented was higher than previously - possibly because teachers were given more lead-in time.

We had a good turnout for the year 10 Writing Together evening where Write That Essay was showcased to parents. They are able to login at home with their sons.

NCEA Forums were not well attended but the parents who came were very focussed and had lots of questions - particularly about Merit and Excellence endorsements.

In 2017 we ran separate Study Skills evenings for seniors and for juniors. These were well attended and well received.

## BOT Operational Goal 4.2

**We want to ensure that communication between the School and its Community is both cost effective and effective.**

### **Overall Outcome**

**Kamar App will be the default communication conduit for the school**

This outcome has not been achieved.

Staff have taken up the use of the app to complete attendance. This has been helped by the automatic email reminding staff if they have been tardy. Parents and students are using the portal. This has been facilitated by improvements in the portal gui and the dramatic upgrade of our online presence. Our continuing use of print as our primary communications medium there is no real need to switch.

For 2018; look at getting coaches to hook up their teams with the app. This removes sports practice notices from daily notices, assemblies and promotes the app.

## BOT/MOE Operational Goal 4.3

**The development and implementation of Communities of Learning is an important initiative for Gisborne.**

**Gisborne Boys' High School want to support this initiative and be positive contributors as required for it.**

### **Overall Outcome**

GBHS will continue to positively engage with Tairāwhiti Schools to ensure that the concept of COL's is developed and initiated.

### **Completed**

After a further year of frustration, the Tairāwhiti COLS is starting to take shape. 2018 will be the first year that all parts of COL's is in place.

There are major benefits for GBHS.

We cannot just sit back and allow another year to pass when the concept idles along with no definite progress or outcomes.

# Gisborne Boys' High School

## Members of the Board of Trustees

Name	Position	How position on Board gained	Occupation	Term expired/expires
Ian Ruru	Parent Representative	Elected May 2016	Marine Scientist	May 2019
	<b>Chairperson June 2016</b>			
Greg Mackle	Proprietors Representative	Appointed	Principal	Dec 2017
Andrew Turner	Proprietors Representative	Appointed	New Principal	Indefinite
James van den Broek	Proprietors Representative	Elected May 2016	Teacher	May 2019
Tracey Stuart	Parent Representative	Elected May 2016		May 2019
Manaaki Terekia	Parent Representative	Elected May 2016	Lawyer	May 2019
		Elected 2013		
John Radburn	Parent Representative	Re-elected May 2016	Director	May 2019
Fleur Paenga	Parent Representative	Re-elected May 2016	Kaiwhakarite	May 2019
Karepa Maynard	Student Representative	Elected April 2017	Student	Dec 2018



# **Gisborne Boys High**

## **School Kiwisport**

Kiwisport is a government funding initiative to support students' participation in organised sport. In 2017 the school received total Kiwisport funding of \$18,066 (2016: \$19,086). The funding was spent on wages for Sports Coordinator and subsidy for student travel for sport.

# GISBORNE BOYS' HIGH SCHOOL

Financial Statements - For the year ended 31 December 2017

## Index

Page	Statement
<a href="#">1</a>	Statement of Responsibility
<a href="#">2</a>	Statement of Comprehensive Revenue and Expense
<a href="#">3</a>	Statement of Changes in Net Assets/Equity
<a href="#">4</a>	Statement of Financial Position
<a href="#">5</a>	Statement of Cash Flows
<a href="#">6 - 10</a>	Statement of Accounting Policies
<a href="#">11- 19</a>	Notes to the Financial Statements



# Gisborne Boys' High School

## Statement of Responsibility

For the year ended 31 December 2017

The Board of Trustees accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2017 fairly reflects the financial position and operations of the school.

The School's 2017 financial statements are authorised for issue by the Board.

*Ian Ruru*

Ian Hector Ruru

*Andrew Glen Turner*

Andrew Glen Turner

*Ian Ruru*

Signature of Board Chairperson

*Andrew Glen Turner*

Signature of Principal

*16/5/2018*

Date:

*16/5/2018*

Date:



# Gisborne Boys' High School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
<b>Revenue</b>				
Government Grants	2	7,630,366	7,328,403	7,215,561
Locally Raised Funds	3	675,680	406,458	646,409
Interest Earned		46,887	52,000	38,886
Gain on Sale of Property, Plant and Equipment	13	3,043	-	-
International Students	4	130,339	128,927	118,548
		<u>8,486,315</u>	<u>7,915,788</u>	<u>8,019,404</u>
<b>Expenses</b>				
Locally Raised Funds	3	397,051	186,294	337,464
International Students	4	30,957	25,105	36,842
Learning Resources	5	5,569,669	5,404,186	5,308,320
Administration	6	565,514	541,008	564,901
Finance		10,038	9,270	14,648
Property	7	1,727,366	1,526,000	1,508,534
Depreciation	8	223,039	215,310	213,743
Loss on Disposal of Property, Plant and Equipment	13	54,243	-	-
		<u>8,577,877</u>	<u>7,907,173</u>	<u>7,984,453</u>
<b>Net Surplus / (Deficit) for the year</b>		(91,562)	8,615	34,951
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>(91,562)</u>	<u>8,615</u>	<u>34,951</u>

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes.



# Gisborne Boys' High School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2017

	Actual 2017 \$	Budget (Unaudited) 2017 \$	Actual 2016 \$
<b>Balance at 1 January</b>	<u>3,045,488</u>	<u>3,045,486</u>	<u>3,010,535</u>
Total comprehensive revenue and expense for the year	(91,562)	8,615	34,951
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	41,543	-	-
<b>Equity at 31 December</b>	<u>2,995,469</u>	<u>3,054,101</u>	<u>3,045,488</u>
Retained Earnings	2,995,469	3,054,101	3,045,488
Reserves	-	-	-
<b>Equity at 31 December</b>	<u>2,995,469</u>	<u>3,054,101</u>	<u>3,045,488</u>

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes.



# Gisborne Boys' High School

## Statement of Financial Position

As at 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	9	494,522	507,594	507,593
Accounts Receivable	10	333,167	340,000	317,888
GST Receivable		36,085	-	31,449
Prepayments		17,534	-	31,060
Inventories	11	21,681	20,000	21,769
Investments	12	863,368	860,000	857,046
		<u>1,766,357</u>	<u>1,727,594</u>	<u>1,766,806</u>
<b>Current Liabilities</b>				
Accounts Payable	14	447,220	523,689	531,808
Revenue Received in Advance	15	179,551	185,000	140,883
Provision for Cyclical Maintenance	16	4,860	-	41,331
Finance Lease Liability - Current Portion	17	28,936	-	35,793
Funds held in Trust	18	50,085	50,000	59,122
Funds held for Capital Works Projects	19	166,785	-	134,735
		<u>877,437</u>	<u>758,689</u>	<u>943,671</u>
<b>Working Capital Surplus/(Deficit)</b>		888,920	968,905	823,135
<b>Non-current Assets</b>				
Property, Plant and Equipment	13	2,530,666	-	2,643,775
		<u>2,530,666</u>	<u>-</u>	<u>2,643,775</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	16	194,757	167,036	167,248
Finance Lease Liability	17	25,947	-	45,761
Funds held in Trust	18	203,413	200,000	208,413
		<u>424,117</u>	<u>367,036</u>	<u>421,422</u>
<b>Net Assets</b>		<u>2,995,469</u>	<u>601,869</u>	<u>3,045,488</u>
<b>Equity</b>		<u>2,995,469</u>	<u>3,054,101</u>	<u>3,045,488</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.



# Gisborne Boys' High School

## Statement of Cash Flows

For the year ended 31 December 2017

		2017	2017	2016
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		1,997,034	1,954,071	1,951,461
Locally Raised Funds		670,176	441,341	703,335
International Students		172,513	170,412	85,627
Goods and Services Tax (net)		(4,635)	(8,034)	(9,483)
Payments to Employees		(1,013,412)	(1,067,648)	(998,839)
Payments to Suppliers		(1,691,665)	(1,249,084)	(1,517,205)
Cyclical Maintenance Payments in the year		(51,306)	(93,947)	-
Interest Paid		(10,038)	(9,270)	(14,648)
Interest Received		52,828	54,076	49,456
Net cash from / (to) the Operating Activities		121,494	191,917	249,704
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of PPE (and Intangibles)		3,043	3,043	-
Purchase of PPE (and Intangibles)		(152,411)	(177,806)	(182,675)
Purchase of Investments		(6,326)	(2,954)	-
Proceeds from Sale of Investments		-	-	48,318
Net cash from / (to) the Investing Activities		(155,693)	(177,717)	(134,357)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		41,543	41,543	-
Finance Lease Payments		(38,430)	(38,430)	(41,842)
Funds Administered on Behalf of Third Parties		(14,038)	(49,363)	65,412
Funds Held for Capital Works Projects		32,050	32,050	
Net cash from Financing Activities		21,126	(14,200)	23,570
<b>Net increase/(decrease) in cash and cash equivalents</b>		(13,072)	(0)	138,917
Cash and cash equivalents at the beginning of the year	9	507,594	507,594	368,676
<b>Cash and cash equivalents at the end of the year</b>	9	494,522	507,594	507,594

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been excluded.



# Gisborne Boys' High School

## Notes to the Financial Statements

### 1. Statement of Accounting Policies

For the year ended 31 December 2017

#### **a) Reporting Entity**

Gisborne Boys' High School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

#### **b) Basis of Preparation**

##### ***Reporting Period***

The financial reports have been prepared for the period 1 January 2017 to 31 December 2017 and in accordance with the requirements of the Public Finance Act 1989.

##### ***Basis of Preparation***

The financial statements have been prepared on a going concern basis, and the accounting policies have been consistently applied throughout the period.

##### ***Financial Reporting Standards Applied***

The Education Act 1989 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as "having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders".

##### ***PBE Accounting Standards Reduced Disclosure Regime***

The School qualifies for Tier 2 as the school is not publicly accountable and is not considered large as it falls below the expenditure threshold of \$30 million per year. All relevant reduced disclosure concessions have been taken.

##### ***Measurement Base***

The financial statements are prepared on the historical cost basis unless otherwise noted in a specific accounting policy.

##### ***Presentation Currency***

These financial statements are presented in New Zealand dollars, rounded to the nearest dollar.

##### ***Specific Accounting Policies***

The accounting policies used in the preparation of these financial statements are set out below.

##### ***Critical Accounting Estimates And Assumptions***

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

##### ***Useful lives of property, plant and equipment***

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 13.





### **Critical Judgements in applying accounting policies**

Management has exercised the following critical judgements in applying accounting policies:

#### **Classification of leases**

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 17.

#### **Recognition of grants**

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to carry forward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

### **c) Revenue Recognition**

#### **Government Grants**

The school receives funding from the Ministry of Education. The following are the main types of funding that the School receives;

Operational grants are recorded as revenue when the School has the rights to the funding, which is in the year that the funding is received.

Teachers salaries grants are recorded as revenue when the School has the rights to the funding in the salary period they relate to. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown.

#### **Other Grants**

Other grants are recorded as revenue when the School has the rights to the funding, unless there are unfulfilled conditions attached to the grant, in which case the amount relating to the unfulfilled conditions is recognised as a liability and released to revenue as the conditions are fulfilled.

#### **Donations, Gifts and Bequests**

Donations, gifts and bequests are recorded as revenue when their receipt is formally acknowledged by the School.

#### **Interest Revenue**

Interest Revenue earned on cash and cash equivalents and investments is recorded as revenue in the period it is earned.

### **d) Use of Land and Buildings Expense**

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Ministry.

### **e) Operating Lease Payments**

Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.

### **f) Finance Lease Payments**

Finance lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term on an effective interest basis.

### **g) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly liquid investments with original maturities of 90 days or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

### **h) Accounts Receivable**



Accounts Receivable represents items that the School has issued invoices for or accrued for, but has not received payment for at year end. Receivables are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the School will not be able to collect all amounts due. The amount that is uncollectable (the provision for uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.

#### **i) Inventories**

Inventories are consumable items held for sale and comprise of stationery and school uniforms. They are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of activities less the estimated costs necessary to make the sale. Any write down from cost to net realisable value is recorded as an expense in the Statement of Comprehensive Revenue and Expense in the period of the write down.

#### **j) Investments**

Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

#### **k) Property, Plant and Equipment**

Land and buildings owned by the Crown are excluded from these financial statements. The Board's use of the land and buildings as 'occupant' is based on a property occupancy document.

Improvements to buildings owned by the Crown are recorded at cost, less accumulated depreciation and impairment losses.

Property, plant and equipment are recorded at cost or, in the case of donated assets, fair value at the date of receipt, less accumulated depreciation and impairment losses. Cost or fair value as the case may be, includes those costs that relate directly to bringing the asset to the location where it will be used and making sure it is in the appropriate condition for its intended use.

Property, plant and equipment acquired with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

Gains and losses on disposals (*i.e.* sold or given away) are determined by comparing the proceeds received with the carrying amounts (*i.e.* the book value). The gain or loss arising from the disposal of an item of property, plant and equipment is recognised in the Statement of Comprehensive Revenue and Expense.

#### **Leased Assets**

Leases where the School assumes substantially all the risks and rewards of ownership are classified as finance leases. The assets acquired by way of finance lease are measured at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses. Leased assets and corresponding liability are recognised in the Statement of Financial Position and leased assets are depreciated over the period the School is expected to benefit from their use or over the term of the lease.

#### **Depreciation**

Property, plant and equipment except for library resources are depreciated over their estimated useful lives on a straight line basis. Library resources are depreciated on a diminishing value basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	10–100 years
Swimming Pool	100 years
Mahanga Outdoor Education Facility	50 years
Furniture and equipment	5-50 years
Information and communication technology	6.5 years
Motor vehicles	10 years
Textbooks	5 years
Leased assets held under a Finance Lease	3-5 years
Library resources	12.5% Diminishing value

#### **l) Intangible Assets**

Software costs



Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance or licensing of software are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software licences with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. Its fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

#### **m) Impairment of property, plant, and equipment and intangible assets**

The school does not hold any cash generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

##### *Non cash generating assets*

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

#### **n) Accounts Payable**

Accounts Payable represents liabilities for goods and services provided to the School prior to the end of the financial year which are unpaid. Accounts Payable are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

#### **o) Employee Entitlements**

##### *Short-term employee entitlements*

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date.

##### *Long-term employee entitlements*

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

#### **p) Revenue Received in Advance**

Revenue received in advance relates to fees received from international students and grants received where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.



The School holds sufficient funds to enable the refund of unearned fees in relation to international students, should the School be unable to provide the services to which they relate.

**q) Funds Held in Trust**

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

**s) Provision for Cyclical Maintenance**

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

**t) Financial Assets and Liabilities**

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, are categorised as "loans and receivables" for accounting purposes in accordance with financial reporting standards.

The school does not have any investments that are shares.

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

**v) Goods and Services Tax (GST)**

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

**w) Budget Figures**

The budget figures are extracted from the School budget that was approved by the Board at the start of the year.

**x) Services received in-kind**

From time to time the School receives services in-kind, including the time of volunteers. The School has elected not to recognise services received in kind in the Statement of Comprehensive Revenue and Expense.



## 2. Government Grants

	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual
	\$	\$	\$
Operational grants	1,668,545	1,663,635	1,726,854
Teachers' salaries grants	4,570,634	4,473,608	4,371,055
Use of Land and Buildings grants	1,062,697	935,676	893,045
Resource teachers learning and behaviour grants	6,718	4,348	7,516
Other MoE Grants	321,771	251,136	217,091
	<b>7,630,366</b>	<b>7,328,403</b>	<b>7,215,561</b>

## 3. Locally Raised Funds

Local funds raised within the School's community are made up of:

	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual
	\$	\$	\$
<b>Revenue</b>			
Donations	79,054	29,000	39,707
Fundraising	46,412	13,600	29,671
Other revenue	92,423	44,590	92,296
Trading	133,362	125,000	125,917
Activities	324,429	194,268	358,818
	<b>675,680</b>	<b>406,458</b>	<b>646,409</b>
<b>Expenses</b>			
Activities	236,506	44,294	201,256
Trading	109,090	117,000	107,804
Fundraising (costs of raising funds)	46,455	25,000	28,404
Other Locally Raised Funds Expenditure	5,000	-	-
	<b>397,051</b>	<b>186,294</b>	<b>337,464</b>
<i>Surplus for the year Locally raised funds</i>	<b>278,629</b>	<b>220,164</b>	<b>308,945</b>

## 4. International Student Revenue and Expenses

	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual
	Number	Number	Number
International Student Roll	15	15	13
	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual
	\$	\$	\$
<b>Revenue</b>			
International student fees	130,339	128,927	118,548
<b>Expenses</b>			
Advertising	20,735	21,000	25,868
Commissions	8,213	-	7,291
Recruitment	-	-	-
International student levy	2,009	4,105	3,683
	<b>30,957</b>	<b>25,105</b>	<b>36,842</b>
<i>Surplus for the year International Students'</i>	<b>99,382</b>	<b>103,822</b>	<b>81,706</b>



## 5. Learning Resources

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	316,439	317,132	317,739
Equipment repairs	28,043	3,600	11,433
Information and communication technology	11,750	11,000	7,300
Extra-curricular activities	160,491	117,000	101,292
Library resources	48,993	45,400	47,598
Employee benefits - salaries	4,897,623	4,885,054	4,716,716
Resource/attached teacher costs	83,946	-	76,832
Staff development	22,384	25,000	29,410
	<u>5,569,669</u>	<u>5,404,186</u>	<u>5,308,320</u>

## 6. Administration

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	7,010	7,610	7,500
Board of Trustees Fees	3,130	4,200	3,940
Board of Trustees Expenses	48,253	22,700	30,645
Communication	43,722	52,800	63,574
Consumables	54,599	55,550	54,051
Operating Lease	2,725	2,770	5,099
Other	4,089	5,000	4,629
Employee Benefits - Salaries	363,482	345,728	358,687
Insurance	13,943	13,000	11,349
Service Providers, Contractors and Consultancy	24,561	31,650	25,427
	<u>565,514</u>	<u>541,008</u>	<u>564,901</u>

## 7. Property

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	8,381	9,800	9,656
Consultancy and Contract Services	24,144	16,500	13,119
Cyclical Maintenance Expense	42,344	-	42,258
Grounds	11,719	13,000	18,241
Heat, Light and Water	82,972	82,600	82,337
Rates	11,249	10,700	10,183
Repairs and Maintenance	150,488	145,100	129,485
Use of Land and Buildings	1,062,697	935,676	893,045
Security	4,323	2,150	6,243
Employee Benefits - Salaries	329,050	310,474	303,967
	<u>1,727,366</u>	<u>1,526,000</u>	<u>1,508,534</u>

The use of land and buildings figure represents 8% of the school's total property value. This is used as a 'proxy' for the market rental of the property. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.



## 8. Depreciation

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings	21,869	21,773	21,773
Mahanga Outdoor Education Facility	3,300	3,300	3,300
Swimming Pool	5,352	5,824	5,824
Furniture and Equipment	88,741	85,229	85,229
Information and Communication Technology	44,519	43,482	43,482
Motor Vehicles	7,221	5,719	5,727
Textbooks	14,308	15,169	15,169
Leased Assets	31,115	28,175	26,600
Library Resources	6,614	6,639	6,639
	<u>223,039</u>	<u>215,310</u>	<u>213,743</u>

## 9. Cash and Cash Equivalents

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	576	600	600
Bank Current Account	428,384	65,844	65,844
Bank Call Account	65,562	441,150	441,150
Cash equivalents and bank overdraft for Cash Flow Statement	<u>494,522</u>	<u>507,594</u>	<u>507,593</u>

The carrying value of short-term deposits with maturity dates of 90 days or less approximates their fair value.

Of the **\$428,384** Cash and Cash Equivalents, **\$166,785** is held by the School on behalf of the Ministry of Education. These funds are required to be spent in **2018** on Crown owned school buildings under the School's Five Year Property Plan.

Of the **\$428,384** Cash and Cash Equivalents, **\$2,304** of unspent grant funding is held by the School. This funding is subject to restrictions which specify how the grant is required to be spent in providing specified deliverables of the grant arrangement.

## 10. Accounts Receivable

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	33,130	30,000	31,133
Interest Receivable	6,135	10,000	12,076
Teacher Salaries Grant Receivable	293,902	300,000	274,679
	<u>333,167</u>	<u>340,000</u>	<u>317,888</u>
Receivables from Exchange Transactions	39,265	40,000	43,209
Receivables from Non-Exchange Transactions	293,902	300,000	274,679
	<u>333,167</u>	<u>340,000</u>	<u>317,888</u>

## 11. Inventories

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
School Uniforms	21,681	20,000	21,769
	<u>21,681</u>	<u>20,000</u>	<u>21,769</u>

## 12. Investments

The School's investment activities are classified as follows:

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset	863,368	860,000	857,046
Short-term Bank Deposits			

### 13. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment/ Depreciation Recovered	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Land	92,615				-	92,615
Buildings	1,319,765				(21,869)	1,297,896
Mahanga Outdoor Education Facility	143,978			-	(3,300)	140,678
Swimming Pool	430,547			(38,119)	(5,352)	387,076
Furniture and Equipment	331,751	98,479		(15,473)	(88,741)	326,016
Information and Communication Technology	143,431	26,236		(650)	(44,519)	124,498
Motor Vehicles	34,128	14,227	(3,043)	3,043	(7,221)	41,134
Textbooks	33,104	10,385			(14,308)	29,181
Leased Assets	84,709	11,760			(31,115)	65,354
Library Resources	29,747	3,084			(6,614)	26,217
<b>Balance at 31 December 2017</b>	<b>2,643,775</b>	<b>164,170</b>	<b>(3,043)</b>	<b>(51,199)</b>	<b>(223,039)</b>	<b>2,530,665</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Land	92,615	-	92,615
Buildings	1,665,055	(367,159)	1,297,896
Mahanga Outdoor Education Facility	165,147	(24,469)	140,678
Swimming Pool	614,765	(227,689)	387,076
Furniture and Equipment	2,565,194	(2,239,178)	326,016
Information and Communication Technology	1,009,050	(884,552)	124,498
Motor Vehicles	136,887	(95,753)	41,134
Textbooks	302,296	(273,115)	29,181
Leased Assets	142,835	(77,481)	65,354
Library Resources	206,452	(180,235)	26,217
<b>Balance at 31 December 2017</b>	<b>6,900,296</b>	<b>(4,369,631)</b>	<b>2,530,665</b>

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2016	\$	\$	\$	\$	\$	\$
Land	92,615	-	-	-	-	92,615
Buildings	1,333,460	8,078	-	-	(21,773)	1,319,765
Mahanga Outdoor Education Facility	147,278	-	-	-	(3,300)	143,978
Swimming Pool	436,371	-	-	-	(5,824)	430,547
Furniture and Equipment	294,047	122,933	-	-	(85,229)	331,751
Information and Communication Technology	163,950	22,963	-	-	(43,482)	143,431
Motor Vehicles	25,494	14,361	-	-	(5,727)	34,128
Textbooks	24,875	23,398	-	-	(15,169)	33,104
Leased Assets	59,969	51,340	-	-	(26,600)	84,709
Library Resources	32,208	4,178	-	-	(6,639)	29,747
<b>Balance at 31 December 2016</b>	<b>2,610,267</b>	<b>247,251</b>	<b>-</b>	<b>-</b>	<b>(213,743)</b>	<b>2,643,775</b>

The net carrying value of equipment held under a finance lease is **\$65,353 (2016: \$84,709)**

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2016	\$	\$	\$
Land	92,615	-	92,615
Buildings	1,665,055	(345,290)	1,319,765
Mahanga Outdoor Education Facility	165,147	(21,169)	143,978
Swimming Pool	661,893	(231,346)	430,547
Furniture and Equipment	2,501,165	(2,169,414)	331,751
Information and Communication Technology	983,726	(840,295)	143,431
Motor Vehicles	125,703	(91,575)	34,128
Textbooks	291,911	(258,807)	33,104



Leased Assets	131,075	(46,366)	<b>84,709</b>
Library Resources	203,368	(173,621)	<b>29,747</b>
<b>Balance at 31 December 2016</b>	<b>6,821,658</b>	<b>(4,177,883)</b>	<b>2,643,775</b>

#### 14. Accounts Payable

	<b>2017</b>	<b>2017</b>	<b>2016</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
Operating creditors	89,398	173,689	199,317
Employee Entitlements - salaries	293,902	300,000	288,861
Employee Entitlements - leave accrual	63,921	50,000	43,630
	<b>447,221</b>	<b>523,689</b>	<b>531,808</b>
Payables for Exchange Transactions	447,221	523,689	531,808
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<b>447,221</b>	<b>523,689</b>	<b>531,808</b>

The carrying value of payables approximates their fair value.

#### 15. Revenue Received in Advance

	<b>2017</b>	<b>2017</b>	<b>2016</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
Grants in Advance - Ministry of Education	-	-	-
International Student Fees	85,688	85,000	43,515
Other	93,862	100,000	97,368
	<b>179,551</b>	<b>185,000</b>	<b>140,883</b>

#### 16. Provision for Cyclical Maintenance

	<b>2017</b>	<b>2017</b>	<b>2016</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
Provision at the Start of the Year	208,579	208,579	325,695
Increase to the Provision During the Year	42,344	-	42,258
Adjustment to the Provision	(9,975)	-	(59,927)
Use of the Provision During the Year	(41,331)	-	(99,446)
Provision at the End of the Year	<b>199,617</b>	<b>208,579</b>	<b>208,580</b>
Cyclical Maintenance - Current	4,860	-	41,331
Cyclical Maintenance - Term	194,757	167,036	167,248
	<b>199,617</b>	<b>167,036</b>	<b>208,579</b>

#### 17. Finance Lease Liability

The School has entered into a number of finance lease agreements for computers and other ICT equipment. Minimum lease payments payable:

	<b>2017</b>	<b>2017</b>	<b>2016</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
No Later than One Year	28,936	-	35,793
Later than One Year and no Later than Five Years	25,947	-	45,761
Later than Five Years	-	-	-
	<b>54,883</b>	<b>-</b>	<b>81,554</b>

## 18. Funds held in Trust

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	50,085	50,000	59,122
Funds Held in Trust on Behalf of Third Parties - Non-current	203,413	200,000	208,413
	<u>253,498</u>	<u>250,000</u>	<u>267,535</u>

These funds are held where the school is agent for representative amounts and therefore these are not included in the Statement of Comprehensive Revenue and Expense.

## 19. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects:

	2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
New Classroom (Ration. Stage 2)	<i>completed</i>	80,381	32,460	112,842	-	-
Structural Electrical Watermains	<i>completed</i>	(500)		2,974	(3,474)	-
Fire & Security Upgrade	<i>in progress</i>	(17,810)	436,424	402,319	-	16,296
New Roof to Library	<i>completed</i>	33,139	10,640	43,779		-
New Framing to Library	<i>completed</i>	35,082	-	35,082		-
Tech Blk Dust Extraction Replmnt	<i>completed</i>	6,737	14,854	21,592		-
Tech Blk Re-roof/Ventilation/Watermain:	<i>in progress</i>	(4,800)	250,000	35,588	3,474	206,138
D Block Weathertightness	<i>completed</i>	2,506	-	2,506		-
Sitewide Electrical	<i>in progress</i>		83,247	138,895		(55,649)
2017/18 10YPP	<i>completed</i>		9,450	12,915	(3,465)	-
Totals		<u>134,735</u>	<u>837,075</u>	<u>808,492</u>	<u>(3,465)</u>	<u>166,785</u>

### Represented by:

Funds Held on Behalf of the Ministry of Education	222,434
Funds Due from the Ministry of Education	55,649
	<u>166,785</u>

	2016	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
New Classroom (Ration. Stage 2)	<i>in progress</i>		234,241	149,819	(4,040)	80,381
Structural Electrical Watermains	<i>in progress</i>			500	-	(500)
Fire & Security Upgrade	<i>in progress</i>	(900)		16,910	-	(17,810)
New Roof to Library	<i>in progress</i>		35,939	2,800		33,139
New Framing to Library	<i>in progress</i>		37,882	2,800		35,082
Tech Blk Dust Extraction Replmnt	<i>in progress</i>		41,463	34,726		6,737
Tech Blk Re-roof/Ventilation	<i>in progress</i>			4,800		(4,800)
D Block Weathertightness	<i>in progress</i>		39,954	37,448		2,506
Block G & L Upgrade	<i>completed</i>	(4,040)			4,040	
C Block Rationalisation	<i>completed</i>	(3,315)	201,792	198,477		
Totals		<u>(8,255)</u>	<u>591,271</u>	<u>448,280</u>	<u>-</u>	<u>134,735</u>



## 20. Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

## 21. Remuneration

### Key management personnel compensation

Key management personnel of the School include all trustees of the Board, Principal, Deputy Principals and Heads of Departments.

	2017 Actual \$	2016 Actual \$
<i>Board Members</i>		
Remuneration	3,130	3,940
Full-time equivalent members	0.08	0
<i>Leadership Team</i>		
Remuneration	1,364,852	1,357,426
Full-time equivalent members	15	15
Total key management personnel remuneration	1,367,982	1,361,366
Total full-time equivalent personnel	15.56	15.88

The full time equivalent for Board members has been determined based on attendance at Board meetings, Committee meetings and for other obligations of the Board, such as stand downs and suspensions, plus the estimated time for Board members to prepare for meetings.

### Principal

The total value of remuneration paid or payable to the Principal was in the following bands:

	2017 Actual \$000	2016 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150 - 160	150 - 160
Benefits and Other Emoluments	4-5	4-5
Termination Benefits	-	-

### Other Employees

The number of other employees with remuneration greater than \$100,000 was in the following bands:

Remuneration \$000	2017 FTE Number	2016 FTE Number
100 - 115	4.00	5.00
	4.00	5.00

The disclosure for 'Other Employees' does not include remuneration of the Principal.



## 22 Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, committee member, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	2017 Actual	2016 Actual
Total	\$0	\$0
Number of People	0	0

## 23. Contingencies

There are no contingent liabilities and no contingent assets as at **31 December 2017** (Contingent liabilities and assets at **31 December 2016**: nil).

## 24. Commitments

### (a) Capital Commitments

As at 31 December 2017 the Board has entered into contract agreements for capital works as follows:

(a) \$418,996 for 2 contracts for Fire & Security Upgrade to be completed in 2018, which will be fully funded by the Ministry of Education. \$436,424 has been received of which \$402,319 has been spent on the project to balance date; and

(b) \$73,102 contract for Sitewide Reticulation and Library Lights to be completed in 2018, which will be fully funded by the Ministry of Education, \$83,247 has been received of which \$138,895 has been spent on the project to balance date; and

(c) \$256,112 contract for Watermains & Tech Block Reroof to be completed in 2018, which will be fully funded by the Ministry of Education. \$250,000 has been received of which \$39,062 has been spent on the project to balance date.  
All projects have been approved by the Ministry

(Capital commitments at 31 December 2016: \$292,693)

### (b) Operating Commitments

As at 31 December 2017 the Board has entered into the following contracts:

(a) operating lease of 3 laptops;

	2017 Actual \$	2016 Actual \$
No later than One Year	452	3,821
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	<u>452</u>	<u>3,821</u>

## 25. Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but attempts to ensure that income exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.



## 26. Financial Instruments

The carrying amount of financial assets and liabilities in each of the financial instrument categories are as follows:

### Loans and receivables

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash and Cash Equivalents	494,522	507,594	507,593
Receivables	333,167	340,000	317,888
Investments - Term Deposits	863,368	860,000	857,046
Total Cash and Receivables	1,691,058	1,707,594	1,682,528

### Financial liabilities measured at amortised cost

Payables	447,221	523,689	531,808
Finance Leases	54,883	81,543	81,554
Total Financial Liabilities Measured at Amortised Cost	502,104	605,232	613,361

## 27. Events After Balance Date

There were no significant events after the balance date that impact these financial statements.



**INDEPENDENT AUDITOR'S REPORT**  
**TO THE READERS OF GISBORNE BOYS' HIGH SCHOOL'S FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

The Auditor-General is the auditor of Gisborne Boys' High School (the School). The Auditor-General has appointed me, Chris Torrie, using the staff and resources of BDO Gisborne Ltd, to carry out the audit of the financial statements of the School on his behalf.

**Opinion**

We have audited the financial statements of the School on pages 2 to 19, that comprise the statement of financial position as at 31 December 2017, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
  - its financial position as at 31 December 2017; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand, applying Public Sector Benefit Entity (PBE) Standards Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting.

Our audit was completed on 16 May 2018. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Trustees and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

**Basis for our opinion**

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibilities of the Board of Trustees for the financial statements**

The Board of Trustees is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Trustees is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Trustees is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board of Trustees is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board of Trustees' responsibilities arise from the Education Act 1989.

### **Responsibilities of the auditor for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the

financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board of Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

#### **Other information**

The Board of Trustees is responsible for the other information. The other information comprises the Analysis of Variance, Member of the Board of Trustees and Kiwisport note (other information) but does not include the financial statements, and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Independence**

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the School.



Chris Torrie  
BDO Gisborne Ltd  
On behalf of the Auditor-General  
Gisborne  
New Zealand